

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

GoAP – IT&C Dept – eProcurement – Implementation of e-Auction services in all the departments from 1-9-2012 – Orders – Issued.

**INFORMATION TECHNOLOGY & COMMUNICATIONS DEPARTMENT
eProcurement**

G.O. Ms. No. 30

Date:09-08-2012

Read:

Agreement with MSTC dated: 20.7.2012.

ORDER:

Government of Andhra Pradesh is the pioneering state in implementation of a state- wide e-Procurement platform successfully for the past 9 years. The platform is being used by all Govt departments, Public Sector Undertakings, Urban Local Bodies, Universities and have processed more than 2, 00,000 tenders till date. The initiative has delivered demonstrable benefits like cost savings to the user departments, significant reduction of tender process time, efficiency in procurement processes and transparency.

2. Most of the departments are requesting for the e-auction services also for disposal of their scrap, sale of the produces for better efficiency and transparency in procurement. Few PSUs like TTD, APTRANSCO, Singareni Collieries Company Ltd are already utilizing the e-Auction services through MSTC and delivered demonstrable benefits.
3. In the meeting of the Steering Committee chaired by the Chief Secretary, Government of Andhra Pradesh held on 17-01-2012, it was decided to engage M/s MSTC, a Government of India PSU for providing e-Auction services for a period of 1 year on trial basis. Accordingly IT&C department, Government of Andhra Pradesh entered into an MoU with M/s MSTC to provide e-Auction services
4. Government after careful consideration hereby issues the following orders for providing e-auction services by M/s MSTC Ltd.
 - a) All departments, PSU's undertakings and local bodies of GoAP are requested to utilize the e-Auction services in consultation with the IT&C department.
 - b) The participating departments shall issue necessary amendments/changes in the existing procedure, as deemed necessary for switching over from the conventional/existing Auction process to equivalent of e-Auction process.

- c) All the existing codal rules, Government of India evaluation instructions for processing of the auction are applicable to the e.Auctions also.
- d) MSTC shall provide e-Auction services for sale of scrap, rejected/condemned /obsolete material/ store (Ferrous and non-ferrous), used and condemned Plant & Machinery etc through forward e-Auction.
- e) MSTC shall provide e-Auction services for sale of products like Ores & Minerals, Forest Produce, agricultural produce, Human Hair, immovable properties, industrial products etc. through Forward E-Auction etc.
- f) MSTC shall provide e-reverse auction services for purchase of any type of goods, plant, machinery, equipments, spares, finished/semi-finished product, agricultural products etc as may be assigned by the Buyer/Principal from time to time according to its requirement through Reverse Auction.
- g) MSTC shall take up customization and training of the departments in consultation with Project Manger, e-Procurement, IT&C Dept.
- h) MSTC shall be entitled to the following service charge / transaction fee, in consideration of the services to be provided:-
 - (i) For e-Auction of scrap, Seller shall pay M/s MSTC service charges @ 1.75% of the value of materials disposed, arrived on the basis of the value of the Delivery Order (D.O.). In addition, service tax and education cess and higher education cess as applicable on service tax will be payable extra. The amount of service charge, service tax and other levies shall be deducted by MSTC from the amount received from the buyer before forwarding the balance to the Seller. Bills and receipts of amount so deducted by MSTC towards its service charges shall be sent to the Seller by the seventh day of the succeeding month.
 - (ii) For e-Auction of produces, Seller shall pay M/s MSTC service charges @0.5% of the amount shown as sold in the e-auction Bid Sheet subject to a maximum of Rs.75,00,000/- (Rupees Seventy five lakhs only) per e-auction. In addition, service tax and education cess and higher education cess as applicable on service tax will be payable extra. The amount of service charge, service tax and other levies shall be deducted by MSTC from the EMD amount of successful bidders before forwarding the balance to the Seller. Bills and receipts of amount so deducted by MSTC towards its service charges shall be sent to the Seller by the seventh day of the succeeding month.
 - (iii) For reverse e-Auction, supplier shall pay M/s MSTC a transaction fee @ 0.03% of the estimated / starting price from each bidder for every event subject to a maximum of Rs.10, 000/- per lot per bidder (payable through payment gateway directly to MSTC)

Service tax and education cess and higher education cess as applicable on transaction fees will be payable extra.

This order shall come in to force with effect from 01.09.2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

MINNIE MATHEW
Chief Secretary to Government

To

The Principal Secretary to Government, TR&B Department
The Principal Secretary to Government, I&CAD Department
The Principal Secretary to Government, PR& RD Department
The Principal Secretary to Government, MA& UD Department
The Principal Secretary to Government, Social Welfare Department
The Principal Secretary to Government, Energy Department
The Principal Secretary to Government, Agriculture and Co-operation Dept
The Secretary to Government, Animal husbandry, Dairy development and fisheries Dept
The Principal Secretary to Government, Backward classes welfare
The Principal Secretary to Government, Higher Education
The Principal Secretary to Government, Secondary Education
The Principal Secretary to Government, Environment, Forest, Science and Technology Dept
The Principal Secretary to Government, Home Department
The Principal Secretary to Government, Housing Department
The Principal Secretary to Government, Industries and Commerce Department
The Principal Secretary to Government, Labour Employment, training and factories Dept
The Principal Secretary to Government, Finance Department
The Secretary to Government, Law Department
The Principal Secretary to Government, Minorities Welfare Department
The Principal Secretary to Government, Revenue Department
The Principal Secretary to Government, Planning Department
The Principal Secretary to Government, Public Enterprises Department
The Principal Secretary to Government, Youth advancement, Tourism and Culture Dept
The Principal Secretary to Government, Woman development, child and disabled welfare dept
The Commissioner, Endowments Dept
The Commissioner of Food, Civil Supplies and consumer Dept
The General Administration (GPM&AR) Department
The General Administration (Services) Department
Copy to:
PS to Secretary, IT&C Department
PS to Chief Secretary
M/s. Vayam Technologies Limited
The Accountant General (Audit), A.P. Hyderabad
The Accountant General (Accounts), A.P. Hyderabad
SF/Spare

// FORWARDED BY ORDER//

SECTION OFFICER